

Consolidated Financial Results (Japanese Accounting Standards) for the Fiscal Year Ended March 31, 2021

Company name: Itoham Yonekyu Holdings Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 2296
 URL: <https://www.itoham-yonekyu-holdings.com/>
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 Scheduled date for general shareholders' meeting: June 23, 2021
 Scheduled date for filing of securities report: June 23, 2021
 Scheduled date of commencement of dividend payment: June 03, 2021
 Supplementary documents for financial results: Yes
 Quarterly results briefing: Yes (For institutional investors, analysts)

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020–March 31, 2021)

(1) Consolidated Results of Operations (Accumulated Total)

(% figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
For the fiscal year ended								
March 31, 2021	842,675	-1.1	24,018	39.1	27,000	38.2	20,204	76.6
March 31, 2020	852,450	0.2	17,266	19.1	19,534	24.6	11,439	8.0

(Note) Comprehensive income: The Fiscal Year Ended March 31, 2021 25,209 million Yen (136.5%)
 The Fiscal Year Ended March 31, 2020 10,658 million Yen (12.1%)

	Net income per share		Fully diluted net income		Net income to shareholders' equity		Ordinary Income to assets		Operating income to net sales	
	Yen		Yen		%		%		%	
For the fiscal year ended										
March 31, 2021	68.61		68.57		8.5		6.9		2.9	
March 31, 2020	38.72		38.70		5.1		5.0		2.0	

(Reference) Equity in income or losses of affiliates: The Fiscal Year Ended March 31, 2021 1,040 million Yen
 The Fiscal Year Ended March 31, 2020 942 million Yen

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million Yen		Million Yen		%		Yen	
As of March 31, 2021	394,086		247,648		62.7		843.52	
As of March 31, 2020	389,426		229,178		58.5		773.26	

(Reference) Shareholders' equity: As of March 31, 2021 246,931 million Yen
 As of March 31, 2020 227,772 million Yen

(3) Consolidated cash flows

	From operating activities		From investing activities		From financing activities		Cash and cash equivalents at the end of fiscal year	
	Million Yen		Million Yen		Million Yen		Million Yen	
For the fiscal year ended								
March 31, 2021	40,862		-10,837		-21,097		50,651	
March 31, 2020	31,847		-7,855		-16,390		41,771	

2. Dividends

	First quarter-end	Second quarter-end	Third quarter-end	Fiscal quarter-end	Total	Total amount of cash dividends (annual)	Dividend payout ratio (consolidated)	Ratio of
								total amount of dividends to shareholders' equity
For the fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
March 31, 2020	—	0.00	—	17.00	17.00	5,007	43.9	2.2
March 31, 2021	—	0.00	—	21.00	21.00	6,147	30.6	2.6
For the fiscal year ending								
March 31, 2022 (Forecast)	—	0.00	—	22.00	22.00		40.3	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022
(April 1, 2021 to March 31, 2022)

(% figures show year-on-year change)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Second quarter-end (Cumulative)	410,000	—	12,000	—	12,500	—	8,500	—	29.04
Full year	820,000	—	23,000	—	25,000	—	16,000	—	54.66

(Note) The forecast for the next fiscal year is "Accounting Standard for Revenue Recognition" from the beginning of the fiscal year ending March 2022.

(Corporate Accounting Standard No. 29), etc. are applied, so the year-on-year increase / decrease rate and increase / decrease are not stated.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

Itoham Yonekyu Holdings Inc.

(Million Yen)

	As of March 31, 2020	As of March 31, 2021
ASSETS		
Current assets		
Cash and deposits	42,072	50,952
Notes and account receivable - trade	87,902	86,591
Merchandise and finished goods	70,648	63,313
Work in process	1,757	1,745
Raw materials and supplies	17,837	17,174
Other	6,293	6,617
Allowance for doubtful accounts	(14)	(10)
Total current assets	226,498	226,384
Non-current assets		
Property, plant and equipment		
Buildings and structures	101,777	102,615
Accumulated depreciation	(64,601)	(66,181)
Buildings and structures, net	37,175	36,433
Machinery, equipment and vehicles	126,499	125,742
Accumulated depreciation	(96,194)	(96,823)
Machinery, equipment and vehicles, net	30,305	28,919
Tools, furniture & fixtures	6,873	6,903
Accumulated depreciation	(5,365)	(5,435)
Tools, furniture & fixtures, net	1,508	1,468
Land	25,830	25,745
Leased assets	5,932	6,214
Accumulated depreciation	(3,132)	(3,455)
Leased assets, net	2,799	2,758
Construction in progress	1,017	2,176
Others	172	145
Accumulated depreciation	(48)	(52)
Others, net	124	92
Total property, plant and equipment	98,760	97,595
Intangible assets		
Goodwill	21,057	19,573
Other	1,626	2,150
Total intangible assets	22,684	21,724
Investments and other assets		
Investment securities	25,822	29,331
Long-term loans receivable	1,518	1,520
Deferred tax assets	1,067	734
Net defined benefit assets	9,378	12,162
Other	3,822	4,738
Allowance for doubtful receivables	(126)	(105)
Total investments and other assets	41,482	48,382
Total non-current assets	162,927	167,702
Total Assets	389,426	394,086

(Million Yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	61,574	56,615
Electronically recorded obligations	1,748	1,660
Short-term loans payable	28,880	25,704
Current portion of Long-term loans payable	10,179	155
Lease obligations	794	813
Accounts payable-other	21,111	21,768
Income taxes payable	1,707	4,149
Accrued consumption taxes	1,418	508
Provision for bonuses	5,280	6,397
Provision for directors' bonuses	120	147
Provision for loss on disaster	544	467
Other	4,745	4,653
Total current liabilities	138,106	123,041
Non-current liabilities		
Long-term loans payable	10,872	10,717
Lease obligations	2,228	2,193
Deferred tax liabilities	2,179	4,253
Net defined benefit liability	2,208	1,725
Asset retirement obligation	1,461	1,475
Other	3,190	3,031
Total non-current liabilities	22,140	23,396
Total liabilities	160,247	146,438
Net assets		
Shareholder's equity		
Capital stock	30,003	30,003
Capital surplus	96,267	96,624
Retained earnings	101,792	116,989
Treasury shares	(2,293)	(3,624)
Total shareholder's equity	225,770	239,992
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	4,823	7,298
Deferred gains or losses on hedges	(355)	(329)
Foreign currency translation adjustment	(3,767)	(3,073)
Remeasurements of defined benefit plan	1,301	3,042
Total accumulated other comprehensive income	2,002	6,939
Subscription rights to shares	131	131
Non-controlling interests	1,275	585
Total net assets	229,178	247,648
Total liabilities and net assets	389,426	394,086

(2) Consolidated statements of income and comprehensive income
(Consolidated statements of income)
(April 1, 2020 – March 31, 2021)

Itoham Yonekyu Holdings Inc.

(Million Yen)

	The Fiscal Year Ended March 31, 2020	The Fiscal Year Ended March 31, 2021
Net sales	852,450	842,675
Cost of goods sold	718,902	702,695
Gross profit	133,548	139,979
Selling, general and administrative expenses	116,281	115,961
Operating income	17,266	24,018
Non-operating income		
Interest income	118	56
Dividend income	342	328
Rent income	425	423
Insurance income	428	214
Subsidy income	598	1,244
Equity in income of affiliates	942	1,040
Other	498	573
Total non-operating income	3,355	3,882
Non-operating expenses		
Interest expenses	711	360
Rent on real estate	139	143
Other	236	395
Total non-operating expenses	1,087	900
Ordinary income	19,534	27,000
Extraordinary income		
Gain on sale of non-current assets	54	476
Gain on sale of investment securities	83	10
Insurance income	331	3,003
Other	13	—
Total extra-ordinary income	483	3,490
Extraordinary loss		
Loss on retirement of non-current assets	469	587
Loss on sale of investment securities	7	475
Impairment loss	17	165
Loss on disaster	1,493	—
Loss on liquidation of subsidiaries	—	139
Loss on liquidation of business	719	—
Others	29	8
Total extra-ordinary expenses	2,738	1,377
Net income before taxes	17,280	29,113
Income taxes-current	5,491	8,367
Income taxes-deferred	213	451
Total income taxes	5,704	8,819
Net income	11,575	20,294
Income attributable to non-controlling interests	135	89
Income attributable to owners of parent	11,439	20,204

(Million Yen)

	The Fiscal Year Ended March 31, 2020	The Fiscal Year Ended March 31, 2021
Net income	11,575	20,294
Other comprehensive income		
Valuation difference on available-for- sale securities	(324)	2,449
Deferred gains or losses on hedges	573	26
Foreign currency translation adjustment	(694)	441
Remeasurements of defined benefit plan	(70)	1,651
Share of other comprehensive income of entities accounted for using equity method	(401)	346
Total other comprehensive income	(916)	4,915
Comprehensive income	10,658	25,209
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,506	25,141
Comprehensive income attributable to non-controlling interests	151	68

(April 1, 2020 – March 31, 2021)

(Million Yen)

	The Fiscal Year Ended March 31, 2020	The Fiscal Year Ended March 31, 2021
Cash flows from operating activities		
Income before income taxes	17,280	29,113
Depreciation	10,933	11,519
Impairment loss	17	165
Increase (decrease) in provision for bonuses	525	1,116
Amortization of goodwill	1,591	1,483
Interest and dividend income	(460)	(385)
Interest expenses	711	360
Insurance income	(760)	(3,218)
Loss on disaster	1,493	—
Loss on liquidation of business	719	—
Loss on liquidation of subsidiaries	—	139
Subsidy income	(598)	(1,244)
Equity in earnings of affiliates	(942)	(1,040)
Loss (gain) on sale of investment securities	(76)	464
Decrease (increase) in notes and accounts receivable - trade	12,216	1,293
Decrease (increase) in inventories	(548)	8,043
Increase (decrease) in notes and accounts payable - trade	(2,995)	(4,821)
Increase (decrease) in notes and accounts payable	(336)	709
Increase (decrease) in net defined benefit liability	(43)	(132)
Decrease (increase) in net defined benefit asset	(207)	(708)
Other	(102)	(1,754)
Subtotal	38,414	41,103
Interest and dividend income received	561	625
Proceeds from insurance income	747	3,227
Proceeds from subsidy income	522	1,033
Interest expenses paid	(712)	(360)
Payments for loss on disaster	(355)	(77)
Income taxes paid	(7,330)	(4,688)
Net cash provided by (used in) operating activities	31,847	40,862
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,995)	(9,685)
Purchase of intangible assets	(571)	(1,226)
Purchases of Investments in Securities	(1,109)	(73)
Proceeds from Sale of Investments in Securities	233	714
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,271)	—
Proceeds from capital reduction with compensation	2,969	—
Payments of loans receivable	(265)	(237)
Proceeds from loans receivable	1,012	235
Other	143	(564)
Net cash provided by (used in) investing activities	(7,855)	(10,837)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(4,740)	(3,192)
Repayment of long-term loans payable	(5,209)	(10,179)
Purchase of treasury shares	(606)	(1,478)
Purchase of treasury shares of subsidiaries	—	(321)
Cash dividends paid	(5,018)	(5,009)
Purchase of investments in subsidiaries resulting in no change in scope of consolidation	—	(6)
Repayments of lease obligations	(770)	(866)
Other	(45)	(44)
Net cash provided by (used in) financing activities	(16,390)	(21,097)
Effect of exchange rate change on cash and cash equivalents	(472)	(48)
Net increase (decrease) in cash and cash equivalents	7,128	8,879
Cash and cash equivalents at beginning of period	34,643	41,771
Cash and cash equivalents at end of period	41,771	50,651